TRUST, CREDIT AND COMMERCE
COUNT SZÉCHENYI'S VISION OF HOW TO BUILD SOCIAL COHESION IN 19TH CENTURY HUNGARY[1]

FERENC HÖRCHER[2]

Count István Széchenyi is arguably the most important figure, the intellectual founding father of the reform age in early 19th century Hungary. His compositionally unbalanced, but rhetorically strong three theoretical books[3] at the very beginning of the 1830s caused quite a scandal. In them, he tried to collect the major reform steps already suggested on the 1790s Hungarian reform diets, but never taken seriously by Vienna. His original idea in *Credit*, however, was to turn the discussion away from the political stakes, and try to find common fields of interest for both Court and country. The major topic (mainly of *Credit*) was meant to be the development of commerce through institutionalised credit.

This paper wants to argue that Széchenyi's idea was not simply a tactical move not to confront the all powerful Metternich too early. It is to show that a key issue for Count Széchenyi was to try to unite his country, decomposed by an outdated feudal constitutional structure and by the "divide et impera" strategy of Vienna. His analysis of the causes of social disintegration was forceful and relevant – and the cure rather courageous, though adopted from the discourse on commerce in the British (more exactly mostly Scottish) Enlightenment[4], but utilised in a wholly different context (dealing with the

[1] Research for this essay was made possible by the interdisciplinary OTKA-project Művészetek és tudomány a nemzetépítés szolgálatában (K 108670) (Arts and Science in the Service of Nation-Building). Some of its themes were touched upon in another paper by this author: István Széchenyi and Metternich: Trust and Distrust in the Hungarian Reform Era? presented at the conference Trust and Happiness in the History of Political Thought, Central European University, 17-19. September, 2014.

[2] Institue of Philosophy, Research Centre for the Humanities, Hungarian Academy of Science

[3] Hitel (Credit, 1830), Világ (Light, 1831), Stádium (Stage, 1833)

[4] For the British paradigm, with a special emphasis on Scotland, see the classic: J. G. A. Pocock: Virtue, commerce, and History, Essays on Political Thought and History, Chiefly in the Eighteenth Century, Cambridge University Press, Cambridge, 1985. See also: István Hont and Michael Ignatieff, eds, Wealth and Virtue, The Shaping of Political Economy in the Scottish Enlightenment, Cambridge: Cambridge

Hapsburgs instead of the Hannoverian house), for a rather different purpose (to create social cohesion) beside the usual one (of defending civil society, initiating social progress and the accumulation of wealth). It was not his mistake that it did not work out quite as he wished for – although he, too, relied on a rather softened version of the discourse on commerce.

In what follows we shall first see how the concept of trust was used in two British contexts, before turning to the ideas of Count Széchenyi, recovering the historical background to his books, and making sense of his forceful, successful, although to a large extent rheotrical argument in that context.

TRUST IN IN THE ENGLISH CONTEXT: LOCKE, MAITLAND AND BURKE

Trust is one of the key notions of early modern and modern political philosophy. For example, in Locke's famous theory – according to John Dunn's classical interpretation – trust is the most fundamental question in politics.[5] Dunn claims that his interest in Locke is determined by the fact that he has been aware of the significance of the concept,[6] while later theorists (Marxists, liberals and even conservatives) seem to have forgotten about it. He also claims that the question. „What is the bond of society?" is – or rather should be, as modern authors tend to neglect the question – the corner stone of political philosophy. Also, he summarizes the Lockean answer in a succinct way, already in the introduction to the problem, when he quotes Locke's terminology: „John Locke in his *Essays on the Law of nature* describes *fides* as the *vinculum societatis* (the bond of society; Locke 1954: 212)".[7] At this point we are not yet in the position to explain how trust is a condition of reliable social bonds, but one can easily accept this conceptual link between them.[8]

University Press, 1983 and Christopher Berry: The Idea of Commercial Society in the Scottish Enlightenment, Edinburgh University Press, Edinburgh, 2013.

[5] John Dunn: *The concept of "trust" in the politics of John Locke, in Philosophy in History,* ed. R. Rorty, J. B. Schneewind and Q. Skinner, Cambridge University Press, Cambridge, pp. 279-302., 279.

[6] John Dunn: Locke's „moral and political thinking as a whole (and in my view the central burden of his philosophical thinking in its entirety) was directed towards an understanding of the rationality and moral propriety of human trust." (Dunn, 280-81.)

[7] Dunn, 280.

[8] It might be relevant, however, to emphasize that trust is regarded by a number of modern theorists as crucial to maintain social cohesion, including Luhmann, Fukuyama and Baier. Dunn refers to Luhmann at 281: „Luhmann sees trust as central to sustaining a society in operation". See also Francis Fukuyama: *Trust: The Social Virtues and the Creation of Prosperity*. Free Press, 1995. Anette C. Baier:

Returning to Locke, Dunn lists the key terms of Locke's discourse the following way: "(...) trustworthiness, fidelity, the keeping of agreements and promises, and respect for oaths were in this way the bonds of human society, what in Locke's eyes makes society possible at all..."[9] This list is surprising as it shows an unexpected congruence between the would be discourse of liberal democracy with the sort of protestant thought, that is suspected by Dunn to lie behind all of Locke's theory. No doubt, Dunn is right when he points out that Locke's serious doubts about the moral trustworthiness of the unbeliever, or atheist is usually left out of the package that interpreters take over from the original version of Locke's account. And if we take that for granted one should not be surprised to find that the reference to trust is not simply a theological consideration in Locke's way of thought, it is also closely connected to what can be called the „moral" part of his understanding of the nature of man. In Dunn's interpretation although Locke is a firm believer of the capacities of human knowledge, in morally dubious situations knowledge surely cannot have the final word. Human decision is based on judgement, which has no final reasons to rely on. And where the will is short of epistemological certainty which could direct it to the right decision, it is exactly there that trust becomes important: „All human life is an encounter with hazard; and the best that men can do in the face of these hazards is to meet them with, as Locke put it in 1659, 'virtue and honour'."[10] In a reference to the then (in 1984) recent writing of Alasdair MacIntyre[11], Dunn - perhaps a bit hastily - connects Locke's concept of virtue's function in moral decisions with MacIntyre's „trajectory" of virtue ethics. Dunn's connection however illustrates that trust in political philosophy is not only a remnant of moral considerations, it is directly connected to the ancient (classical Greek and Latin) as well as to the Christian teaching of virtue.

Beside this theologico-moral dimension of trust, the term is also rooted in a legal background. Trust is a key notion in the context of the traditional terminology of common law. Here it is a category which describes an

---

"Trust and Its Vulnerabilities" and "Sustaining Trust," Tanner Lectures on Human Values, Volume 13, Salt Lake City: University of Utah Press. 1991.

[9] Dunn, 288.

[10] Dunn, 298. In the letter Dunn refers to, Locke writes: „Men live upon trust and their knowledg is noething but opinion moulded up betweene custome and Interest, the two great Luminarys of the world... we are left to the uncertainty of two such fickle guides... if custome must guide us let is tread in those steps that lead to virtue and honour." John Locke: *Letter to Tom* (Thomas Westrowe?), 20 October 1659. Locke, Correspondence vol. I. pp. 122-123.

[11] Alasdair MacIntyre: *After Virtue, A Study in Moral Theory*, University of Notre Dame Press, South Bend, 1984.

important legal institution: trust in this common law legal sense means the transfer of property (basically landed property) to someone else who is required to take care of it in the interest of the original owner. The classical theoretician of trust is Maitland, who regarded it as "the greatest and most distinctive achievement performed by Englishmen in the field of jurisprudence".[12] Scott mentions the difficulty of the German historian Gierke, to make sense of the common law concept of trust.[13]

One should also consult Maitland's classic essay *Trust and corporation*, in the recent Cambridge collection of his essays for a critical assessment of the views of the state as trust in the English jurisprudential tradition.[14] We do not have much space here to go into details of the matter. Let us focus instead on one example of Maitland only: trust in this legal sense is important, in the political rhetoric of Edmund Burke. In his *Reflections on the Revolution in France* (1790) we can read statements like this: "The interest of that portion of social arrangement is a trust in the hands of all those who compose it; and as none but bad men would justify it in abuse, none but traitors would barter it away for their own personal advantage."[15] Obviously, he uses trust as a normative concept, describing expectations of the right way of handling of political communities by political leaders. He condemns those "who have betrayed their trust in order to obtain that power." It is for this reason that he talks about the government as "a trustee for the whole, and not for the parts". Relying on this legal terminology he talks about "the breach of trust", and a "renewal of his trust". In an explicit way he identifies executive power (presumably of those responsible for public finances and the Treasury) with "pecuniary trusts", advising: "Those who execute public pecuniary trusts ought of all men to be the most strictly held to their duty."

Talking about the role of political leadership as trust connects two different, but interrelated discourses: a legal language is made use of in order to explain a political phenomena. But there is a further element to Burke's rhetorical use of the concept of trust: it can be read as a comparison between

---

[12] For this description of Maitland's position see: Austin W: Scott: *The importance of the trust*, In. 39 U. Colo. L. Rev. (1966-1967), 177.

[13] Scott: Importance, 177., quoting also Girke's claim: „I can't understand your trust."

[14] F. W. Maitland: *Trust and Corporation*, In. F. W. Maitland: State, Trust and Coproration, eds. David Runciman and Magnus Ryan, Cambridge University Press, Cambridge, 2003. Note the editors' words on the issue: State, trust and corporation, In. Editors' introduction, ix-xxix., xxiv-xxvi.

[15] Edmund Burke: Reflection on the Revolution in France (1790). I do not provide page numbers, as I rely here on the following electronic version of the text: *http://www.constitution.org/eb/rev_fran.htm*

property and power. When an elected politician takes hold of power, it is like taking a trust over from the people to let it create profit for the people, and not as dominium over real property in his hand.

TRUST AND CREDIT – FROM BURKE TO SZÉCHENYI

It is in the economic direction we would like to proceed, but in order to do so we need one final conceptual manoeuvre: to show that trust is conceptually closely connected to credit, the key term of Széchenyi's first, pathbreaking volume. In Burke's criticism of revolutionary measures in France, of course, the concept of credit was brought up in connection with the topic of how the assignata discredited French currency. But there is at least one further dimension to the concept already in Burke's reflections. He talks of the "credit of the government", in a context where it is obvious that what is meant is the authority and prestige a government enjoys, and this terminological and rhetorical solution shows that political and economic reliability are close allies. Talking about the pre-revolutionary government, he argues: "The credit of the ancient government was not indeed the best, but they could always, on some terms, command money, not only at home, but from most of the countries of Europe where a surplus capital was accumulated." In other words he uses the commercial-financial term credit in a political context, comparing this way the (internal and external) support of the government to economic credibility, which can be done as soon as we realise that a government's success (no matter, whether we talk about political or economic success) really depends on the opinions people have of its dealings.

Trust and credit, therefore, are closely linked to each other. If you trust someone, she has got credit with you. The government needs trust from those living under its jurisdiction and from the external world as well. Without this trust it will not have credit from either side. The same is true about the personal ruler: he, too, is in need of credit, and he can only get it, if he is trusted. But these are still purely political relationships. For us a further dimension is more important, as in his works in the early 1830s the subject of this paper, Count István Széchenyi did not want to address the purely political question of the age, which concerned Hungary's constitutionally guaranteed, but practically lost autonomy within the Hapsburg realm. The old-fashioned policy of grievances turned out crabs in the second half of the 1790s. Rather, his innovation was to suggest a different track: instead of getting lost in a hopeless direct fight with the Hapsburgs he suggested the

national elite to turn first towards an economic (together with a cultural) regeneration of the country.

In what follows I would like to show that the argumentation put forward around 1830 by Count István Széchenyi, one of the seminal figures of what came to be called the Hungarian Reform Era, was based on the simple recognition of the close connection between an economic and a political discourse of trust and credit. In order to present his relevant ideas to prove this thesis this paper will focus on Credit (Hitel, 1930), but also keeping in mind Light (Világ, 1831) and Stadium (Stage, 1833). What needs to be shown is the particular meaning he associates with credit and trust in these writings. My claim is that by referring to the mutual respect between members of the nation relying on the terminological framework of trust and credit, he not only injects economic considerations into the public debate in Hungary on politics, as suggested by George Bárány, when he wrote: "for Széchenyi economics was organically connected with the social patterns and political conditions in his fatherland.",[16] but in fact aims more directly to create by the provoked public discussion the missing social cohesion of the Hungarian nation, which he finds disintegrated. In his interpretation one of the main causes of Hungary's underdevelopment was exactly social disintegration. In what follows some of the signs will be gathered which strengthen Széchenyi's diagnosis, and then his vision to ameliorate the situation by creating trust and credit, and through that social cohesion is going to be presented.

SIGNS OF SOCIAL DISINTEGRATION IN HUNGARY BY THE 1820S

A simplified traditional view holds that the main cleavage in Hungarian politics in the beginning of the 19th century was that between a unified nation (consisting of the prelates, the Magnates and the nobility, with some, but not much representation of the towns, and a claimed representation of serfdom), composing the country (*ország*) and its autocratic ruler, the Hapsburg monarch, in this period Francis I., embodying the crown (*korona*).[17]

[16] George Bárány: *Stephen Széchenyi and the Awakening of Hungarian nationalism, 1791-1841,* originally from Princeton University Press, New Jersey, 1968. republished by Sarkett and Associates, Winnetka, 2011. 205.

[17] In Hungarian historiography, this tradition is referred to as the „kuruc" type of history writing, named after the concept of the kuruc, meaning „armed anti-Habsburg rebels in Royal Hungary between 1671 and 1711". Perhaps typical examples are Kálmán Benda's works. For a general terminological introduction see the Introduction in: László Péter: *Hungary's Long Nineteenth Century*.

According to this narrative the Hungarians have a long constitutional tradition which safeguards the liberty of the estates composing *ország*, and they are ready to fight (by lawful means if possible, but with whatever means if that is required) to preserve the liberties secured by that very constitution even against their lawful monarchs, when they trespass the traditionally secured areas. Although certainly this is an important part of the game in the period, to make sense of Széchenyi's efforts in his books of the early 30s we have to understand other cleavages and problem areas, as well, which play their part to lead to the kind of social disintegration we are talking about.

This paper presents two of the cleavages and one further problem area. These are the following:

(a) a sharp cleavage within the nobility, and an open conflict with the aristocrats, due to the pauperization of the 1820s which hit the smaller nobility much stronger then the upper part of the social scale,
(b) the centrifugal force of the county system in opposition to the diet. And the further problem is
(c) the peasant rebellion provoked by the Polish uprising.

(a) After the commercial prosperity brought about by the Napoleonic wars the 1820s turned out to be very hard for both the landowners and the serfs farming on their lands in Hungary.[18] The boom was naturally followed by a bust. Due to the low price of grain landholders had to face serious economic crises: they could not realise those returns upon which their financial survival depended. A lot of them lost much of their fortune and large portions of them had to give up the standards and style of life usually associated with those of the nobles in 18th century Hungary. As there was a strong sentiment among their circles against commerce and industry, they had hardly any chance to adapt to the situation. They had the choice to try to move into one of the cities, but in that case they had to except the rules that applied to the burghers of the particular city. Some of them turned to one or the other representatives of the upper nobility to let him cultivate the aristocrat's land – this was an open admission of losing social ground, as the serfs did traditionally. As to the number of those belonging to these

Constitutional and Democratic Traditions in a European Perspective. Collected Studies, ed. by Miklós Lojkó, Brill, Leiden-Boston, 2012. 1-14.

[18] Dobszay Tamás-Fónagy Zoltán: A rendi társadalom felbomlása, In. András Gergely, ed.: *19. századi magyar történelem. 1790-1918*, Korona Kiadó, Budapest, 1998. 57-125., 93.

impoverished layers of the lower nobility, Mályusz gives the approximation of about one fourth of the whole number of the nobility.[19]

It is also Mályusz who explains the harsh conflict between parts of the lower nobility and the magnates.[20] As he reconstructs the story it becomes obvious that the court in Vienna was quite successful to divide and rule in Hungary: they ordered that as a lot of taxpayers fell out from the normal tax-paying condition by leaving their lands or grounds empty therefore the unpopulated parcels have to be populated as soon as possible, otherwise the Treasury's income will lose, and then the costs of the army will not be covered by the tax. If you interpret Vienna's decision with an extra amount of goodwill, you can argue that they were defending the poorest part of the population, the serfs, who made up c. 90 % of the whole people[21]. However, the fact is, that the pauperized minor nobility lived among equally bad economic conditions, and they were also expected to fulfil their obligations as nobles, as well. The upper house of the diet wholeheartedly supported the government in this respect. Széchenyi himself gave a speech in defence of the government's intention to tax the minor nobility in 1826, opposing those forces (of the liberal opposition) who tried to defend the landless nobility. Széchenyi, in this respect, turned out to be a good example of the joint position of the table of magnates and the government. The situation already shows why Széchenyi needed to try to reach out in both directions: the magnates are caught between the Scylla of autocratic Viennese rule and the Charybdis of a populist "democratic" liberal opposition, which had to rely on the support of the ever poorer quarter of the nobility called "bocskoros nemesség".

(b) If we want to understand how the lower rank nobility could win over the implicit coalition of the magnates and the government, we should remember that Werbőczy's customary law[22] made the tradtional county assembly the most important scene of Hungarian feudal politics. The minor nobility „lived its social life and political activity within the confines of their county. (…) these confines divided the otherwise unified social classes – let us add: unnecessarily – into 52 petty kingdom."[23] One can easily relate to this phenomenon what George Barany calls „the centrifugal forces

[19] Mályusz Elemér: *A reformkor nemzedéke*, Budapest, 1923. 43-46.

[20] Mályusz Elemér: op. cited, 45-48.

[21] Dobszay et al., 96.

[22] M. Rady, J. Bak and P. Banyo (ed and trans.): *I. Werbőczy, The Customary Law of the Renowned Kingdom of Hungary: A Work in Three Parts (the Tripartitum)* (CEU and Schlacks, Budapest and Idyllwild, 2005)

[23] Mályusz: op. cited, 64.

dominating the country's life".[24] If you have 52 different, factional interest, it is indeeed hard to articulate a unified political will, as the voice of the *ország*, addressing their king. In fact counties were divided among themselves in a number of ways, and their interaction decided the dominant tone in the diet's meetings, where deputies of the counties composed the main body of the lower house, in dialogue with the upper house, where aristocrats and prelates met to articulate their own view. The two houses, too, had to arrive at a meaningful conclusion, before the proposal (*felirat*) could be sent to the king for royal approval. As long as the internal tensions between the lower and higher nobility, the county assemblies and the diet lasted, there was no hope for a unitary voice in dialogue with Vienna – so long the 'divide et impera' principle was effective.

(c) A third element of the social disintegration is caused by an external event: the Polish uprising of 1831 against the Russian occupier together with the spreading colera epidemic causing the death of about quarter of a million Hungarian people created a political tension that threatened to lead to an outburst of violence. The peasants' revolt caused by the tension, the fear and the disappointment, strengthened by the clumsy efforts on the side of the government and the counties created a new coalition between the peasants and those poorer strata of the lower nobility which lost its status within the body of the nobility. While this new coalition represented a potential threat against the aristocrats, the higher clergy and the central government, it was also a potential support for the populist rhetoric of the noble opposition in the hands of a talented leader like Lajos Kossuth. This was the rather disappointing political context, full of violence, impatience and distrust, of the goodwill-hunting of Széchenyi.

TRUST AND CREDIT AS MEANS TO BUILD SOCIAL COHESION IN SZÉCHENYI'S VISION

It is well-known that Széchenyi's *Credit* was inspired by a failed financial transaction of its author, and reflects the experience of and conclusions drawn from his failed communication with the management of the Bank.[25] It is also widely known that it had an impact on public opinion which is quite unparalleled in the history of Hungarian printed letters. Why and how did it

[24] Bárány: op. cited, 220.

[25] For recent views on this transactional failure, see the essays in the collected volume: Jólét és erény. Tanulmányok Széchenyi István Hitel című művéről, ed. Sándor Hites, reciti, Budapest, 2014.

succeed to initiate such movements? There is a debate in Hungarian historiography about the myth that Széchenyi was the one who awakened at least the thinking part of a sleeping nation. One camp claims that this myth – which was shared even by his most ardent opponent, Lajos Kossuth – was in fact true. The other side claims, however that there is – at least a latent – continuity between the reform diets of the first half of the 1790s and the early 1830s: (anti)Josephinist fathers and their reforming sons were in fact moved by rather similar enlightened ideals and aspirations.

While this debate seems to be very relevant for a number of reasons, the present paper wants to address a different issue, and to claim something stronger: that Széchenyi with this book addressed the problem of social disintegration in Hungary, and his idea with introducing the financial product of bank credit as a realistic device to fuel business transactions within the frozen feudal structure of Hungarian society was not so much to provoke an industrial revolution and thereby to destroy the social network, on the contrary, it was to strengthen social ties and social cohesion.

Széchenyi is clear from the beginning: when he talks about credit, it has two rhetorical levels. First it refers to the financial transaction, but secondly it also concerns trust among participants of a political body. He makes from the very start a comparison between the trust of the creditor and the credit taker and the mutual one between members of a political community and their leader, credited by them: "The governments' trust … of its loyal servants makes the nation happy and strong", he claims.[26] He also talks, however, about a certain distrust between the different orders, and this is our present theme. For it needs to be shown that the concepts of interpersonal trust and social credit are closely connected in Széchenyi's mind (and action).

The story kicks off with the startling fact that even among aristocrats there were cases of serious financial crises in contemporary Hungary. Although they might had huge amounts of landed property with enough cattle on it to have substantial income among normal conditions, some of them went as far as to reach the level of starvation. And the explanation, according to Széchenyi, lies in the simple fact that due to the feudal legal institution of entail (*aviticitas*) they cannot obtain credit to secure cashflow. However, the author's real invention is not simply the diagnosis of a self-defeating institutional structure. His main innovation is to show that a lack

[26] In Hungarian: „A kormány…hív jobbágyiba helyeztetett bizodalma teszi a nemzetet boldoggá s erőssé." As I quote Széchenyi's three books from their electronic versions (Hitel, *http://mek.niif.hu/06100/06132/html/*

Világ *http://mek.oszk.hu/11800/11842/11842.htm* Stádium *http://mek.oszk.hu/06100/06135/html/), I do not give page numbers.*

of credit is present not only in an institutional sense of the word, but in the sphere of interpersonal relations, too – in the whole national body.

Széchenyi identifies a "sad heterogeneity" in his country, and claims: "The tensions, distrust and withdrawal among the orders can last for years, and it is the saddest, when it is for sure – if not directly, at least – indirectly the source of damages, and cannot be stopped any other way but by an artificial unification, which is nothing else for the denominations being afraid of each other than the sun's good beams for the aforementioned two cowards."[27]

It is surely relevant, that Széchenyi is a late proponent of the Enlightenment – his main ideas were inherited by him from his father, who was a Josephinist in his youth, working in the government administration, turned towards the oppositional main-stream of the Hungarian diet in the early 1790s, and gave up real politics as a result of Vienna's brutal reaction to the provoked operett-conspiracy of the Hungarian Jacobins, in which one of his earlier secretaries was also involved, and therefore executed, too.[28] István took over a lot of the ideas of his father, and remained closely connected to the discursive universe of the late Enlightenment, while also inspired by the romantic religious enthusiasm of the late years of his father, inspired by such members of the Viennese intellectual life in the 1810s as Adam Müller, Friedrich Gentz and the spiritus rector of the movement, the hermit and later priest of the Redemptorist congregation, Clemens Maria Hofbauer.[29]

Although these two intellectual influences (the Enlightenment and Catholic Romanticism) do not seem to easily combine, they have been parallelly present in the mind of the young count. His illustrative story of the two cowards he referred to in the quote above showed that fear is caused by the lack of clear sight, the unfortunate consequence of darkness. In enlightened fashion he advocates the sun, light or clarity (physical or intellectual), which helped the two cowards recognise their own clumsy short-sightedness.[30]

---

[27] In Hungarian: „…az osztályok közötti bokrosság, bizodalmatlanság s visszavonás pedig évekig tarthat, legszomorúbb, ha nem positiva, de bizonyosan negativa károknak kútfeje, és nem szüntethetni meg egyébképp, mint mesterséges egyesítés által, mely az egymástúl tartó felekezetekre nézve nem egyéb, mint a nap jótévő sugára az említett két ijedkezőre volt."

[28] For an overall assessment of his achievements and failures see: Vilmos Fraknói: *Gróf Széchenyi Ferenc, 1784-1820*, Budapest, Magyar Történeti Társulat, 1902)

[29] For an overview of this Catholic spiritual circle in restoration Vienna, see Katalin Gillemot: *Gróf Széchényi Ferenc és bécsi köre*. Budapest, 1933.

[30] It is not by chance that the next book Széchenyi published was entitled: Light or Enlightening Fragments To Set Right Some Errors and Prejudices (Világ vagy is felvilágosító töredékek némi hiba 's előítélet eligazitására) (1831).

Now it is obvious since at least Descartes, that the metaphorical intellectual light is nothing else, but reason. In the fable of the two cowards, too, the two protagonist had a false knowledge about the identity of the other – it is only through real and reliable knowledge, that this sort of fears can be healed. As soon as they had learnt who the other really was, their fear evaporated. The same way, argues Széchenyi, if only people learn each other, they will be able to get rid of the short-sighted prejudices against each other. "The better people get acquainted with each other, the more perfectly disappears the frightful schema".[31]

In order to learn each other better, people have to gather together. In a very telling section of his book the count refers to the need of concentration, which he identifies as a kind of "artificial congregation".[32] At another place he explains concentration as "middling".[33] If we recall his obsession with the British Enlightenment, it is obvious from these references that he had in mind a British (more exactly, Scottish) conceptual innovation, called in the age commercial society. This term designated the last phase (*stádium*) of national development in the famous stadial account of the European process of civilisation given by Scottish thinkers, characterised by a social order based on a highly sophisticated division of labour, an attention to mutual interests and a readiness to work together according to commonly accepted standards.[34]

The way Széchenyi presents the issue is based on his scheme of the dual notions of natural liberty and social liberty.[35] Parts of the first needs to be sacrificed (and he uses this term) on the altar of the second. In order to earn the most of well-being and happiness, one needs to make concessions this way contributing to the creation of society. The power of a nation is correlative with the amount of internal war as opposed to conversation. The verb he uses is conversation – 'társalkodás' –, which has a root in Hungarian meaning companion or associate, but it is also the root of the word meaning society: 'társaság' or 'társadalom'. He associates a perfected form of conversation (társalkodás' with the most perfect development of social liberty. And he also makes it clear that the distinction is used to form considered judgement about the level of civilisation of a given political community. While native America and Africa are regarded as dominated by

[31] In Hungarian: „Mennél jobban megismerkednek az emberek, annál tökéletesebben eltűnik az őket rémítő váz…"

[32] „mesterséges egybegyűlés"

[33] „középesülés"

[34] For a classic account of the teaching of social progress, see: Ronald L. Meek: *Social Science and the Ignoble Savage*. Cambridge University Press, Cambridge, 1975.

[35] „természeti szabadság", „társaságbeli szabadság"

internal war among some "miserable" members of the community, the fruits of social liberty are to be found in Britain, France, and the German realm. This classification is closely linked to the Enlightenment categories of savage/barbaric versus civilised, a distinction which tells a lot about the sense of cultural superiority of the age. Széchenyi seems to wish to see his own nation belonging to the second camp.

The ideology of commercial society, so characteristic of the British Enlightenment, had a deep historical background to it. One denotation of the word commerce itself is conversation. As far as its etimology is concerned, it is a word which comes from 14th century Middle French, and it seems to be used in the context of humanistic discourse.[36] As Peter Burke summarised,[37] the 'art of conversation" was equally a key to success in the Renaissance court, in the enlightened Parisian salons, and among the philosophers and men of letters of the Enlightenment, who wished this worldly success among the ladies of the salons as well. No doubt, clubs and coffeehouses, as much as Parisian salons, were the melting pots of enlightened culture and society all around Europe. One does not need the high flying theory of Habermas about the birth of a public sphere in the age[38] to get to the conclusion that a constant exchange of ideas made possible by these urban meeting places had a benevolent side-effect: reforming social manners. And indeed, the whole ideology of commercial society is based on this simple insight. That commercial activity has benevolent side-effects: it polishes manners, and makes individual habits more humane. In other words, an unintended consequence of trafficking is a reconstitution of the social world of the estates.

Now this is exactly the character of commercial society Széchenyi would like to exploit. He is in fact following the footsteps of József Kármán, contemplating of the present poor conditions of the country, and the potential which lies in polishing its manners.[39] Kármán talks about the 'beautification of the nation', when he paints a rosy future through "education, beautification, patience – tolerance – in one word, the decoration and real

[36] See the Online Etymology Dictionary, at *http://www.etymonline.com/index.php?term=commerce&allowed_in_frame=0*

[37] Peter Burke: *The Art of Conversation.* Ithaca, Cornell University Press, 1993.

[38] Jürgen Habermas: *The Structural Transformation of the Public Sphere: An Inquiry into a Category of Bourgeois Society.* Cambridge Massachusetts, The MIT Press, origonal German 1962. English Translation 1989.

[39] József Takáts also refers to Kálmán's piece in connection with what he labels as the „language of polishing" (*a csinosodás nyelve*): Takáts József: A csinosodás politikai nyelve, In. Takáts: *Modern magyar politikai eszmetörténet.* Osiris, Budapest, 2007. 19-21.

power of the whole nation is growing more and more."[40] The same way, Széchenyi draws a straight line from the lack of credit (in the wider sense) to this lack of credit being one of the main causes of all moral corruption and spiritual degeneration. "Among such chaffering … how could humaneness and civil virtue grow?"[41] Which means that the opposite cause might have opposite results as well: with credit, more humaneness and civil virtue would come. At another locus, as we saw, he wrote about a "sad heterogeneity", meaning the lack of social cohesion, which is the cause of a lack of credit, which is the cause of a lack of diligent agriculture and commerce, and that is the cause why the Hungarians in general are much less well off.[42]

Add to this, that beside being connected to the issues of commercial society, Széchenyi's view is deeply embedded into the modern natural law teaching as well, which was to a large extent based on the Aristotelian account of human nature, but got both Christianised (in a reformed manner) and modernised.[43] But Széchenyi's work on commerce is also an answer to the political theoretical question of the debate of the ancients and the moderns.[44] And this answer is not simply a turn away from the austere morality of the ancients as Takáts implies.[45] He presents a vision, in which an interpersonal mutual dependence is a basic factor of national life, as present in all walks of modern life as well, on all social levels, and in all social functions: "Let there be trust between married couples and between lovers as well, let the friend trust his friend, let a certain credit link citizen to citizen, merchant to the ploughman".[46]

---

[40] „nevelés, csinosodás, türedelem – tolerancia – egyszóval az egész nemzet dísze s valódi ereje pedig nőttön nő."

[41] „Már ily alkudozók közt… miként nevekedhetik emberség s polgári erény?"

[42] „S mily ellenkező gát ezen szomorú heterogeneitás hazánkban! Mely többek közt annak is oka, hogy hitel nincs, és ez, hogy igazi serény földművelés, kereskedés nincs, s ez, hogy magát a magyar oly jól nem bírja, mint körülményi engednék."

[43] See Knud Haakonssen: *Natural Law and Moral Philosophy*. From Grotius to the Scottish Enlightenment. Cambridge UP, 1996.

[44] On this issue, see his contemporary: Benjamin Constant, The Liberty of the Ancients Compared with that of the Moderns (1819), In The Political Writings of Benjamin Constant, ed. Biancamaria Fontana, Cambridge, 1988, pp. 309–28."

[45] Takáts claims that „This political language is the counterdiscourse of republicanism". („E politikai nyelv a republikanizmus ellenbeszédmódja".) Takáts, ibid, 19.

[46] „Legyen csak bizodalom a házasok és szeretők közt, hihessen barát barátnak, kösse csak bizonyos hitel polgárt polgárhoz, kereskedőt földművelőhöz."

Széchenyi sounds almost like a sentimental utopian at this point. Or at least like a simple Christian believer, who takes seriously the message of the Sermon on the Mount, or at least the teaching of Christ about our duty to love our neighbour. He does not sound too political here. But this is not the whole story. He does not mix up society and politics – which is not obvious, as the distinction (of political and civil society) is not much older, it came once again from Scotland, transmitted by Hegel, at about the turn of the century.[47] Széchenyi seems to be quite aware of the distinction – which was not so difficult in a country, where a foreign invader kept hold of the country's political machinery, as opposed to the hearts of its people. His idealisation of a mutually dependent society has a natural limit: it only refers to natural society, politics.What we call economics and jurisdiction is handled by him a bit differently.

"As we are good Christians, let us believe that each individual is good; in questions of money, commerce, and constitution we should, however, suppose about everyone the worst – and so we shall be happy on this and in the other world. Let us leave those sentimentally to preach who always dream about mutual trust, as if we were living among saints. If it were as they believe, we would not need neither contract, nor testament, nor obligation, and even the Corpus Juris could be given to the flames, as the fine trust attracting us to each other would make all these unnecessary."[48]

This sounds, indeed, like a rather pessimistic, or sceptical warning, not easily compatible with what we have seen so far. But Széchenyi is sceptical in connection to a certain area, and there, too, only to a healthy degree, I would like to claim. For although his above words might sound like making the distinction between society (*Gesellschaft*) and community (*Gemeinschaft*), it is meant more to distinguish legal or legitimate power exercised over the

[47] See Norbert Waszek: *The Scottish Enlightenment and Hegel's Account of 'Civil Society'*. International Archives of the History of Ideas, 120. Dordrecht, Kluwer Academic, 1988.

[48] „Keresztény jótévőséginkben higgyünk minden emberről jót; pénz, kereskedés, alkotmány dolgában mindenkiről pedig a legrosszabbat – úgy fogunk ezen s a másvilágon boldogulni. Hagyjuk azokat érzékenyen szentenciázni, kik mindég kölcsönös bizodalomrúl álmadoznak, mintha csak szentek közt laknánk. Ha úgy volna, mint ők hiszik, se kontraktus, se testámentum, se obligáció nem kellene, sőt még a Corpus Jurist is elégethetnők, mert az egymáshoz vonzó szép bizodalom mindezeket szükségtelenekké tenné."

general public from purely natural relationships between ordinary people. As soon as we talk about political rule, or government, there is a disproportion of power, and therefore individuals have to look out to avoid the use by their rulers of a disproportionately asymmetrical power-relationship.

As far as the economic side of human relationships is concerned, one should recognize here the Roman elements, too, in the contractual relationship, and the Roman law assumptions about human nature behind legal-economical institutions. There is a need for a minimal amount of trust between Roman law partners as well as business partners, but the urgency of suspicion is also there. And even more importantly: suspicions are depersonalised and institutionalised. If there is a chance of unreliability in human relationships, it is useful to minimise the risks of it by providing institutional guarantees, in other words the superiority of the rule of law over those of the individuals. Széchenyi's view is not far away from Kant's famous "gesellige Ungesselligkeit": a complex commercial society which he hopes Hungary will soon become can only be governed by a simultaneity of interpersonal trust and institutionalised distrust.

Summary

To sum up the point that was made here, about Széchenyi's views on trust: Széchenyi is not simply a religious zealot, who tries to convert his fellow-citizens to the religion of trusting others. On the contrary: he requires legal safeguards, because he is well aware of his compatriots' fallibility, and he wants to have institutional checks on political power because he had first hand experience about the provinciality and anachronistic nature of autocratic rule in Hungary.[49] But he wholeheartedly supports trust among Hungarians in what we today would call civil society. In other words, his argument is about social trust, and not a blind trust in politics. Which does not mean that social trust would not be politically valuable, as well. On the contrary, his whole point is to emphasize that even if we should suspect the politically powerful, trust has a real political merit, it fuels human exchanges, between ruler and citizen, too.

Commerce partly belongs to the territory of civil society, and partly to politics (think about the term political economy), this is what makes it possible to talk about it in a political and a non-political tone. According to Széchenyi, in a society where there is a high level of trust, and where commerce polishes human manners, credit needs to be freed from its

[49] About the unequal relationship between a trusting Széchenyi and a cynic Metternich I presented a paper, mentioned in note 1. above.

constitutionally ordained imprisonment. If this will be followed by demands of political reform, it is only too natural: but trustworthy social cohesion even in that situation can be a source of energy, and can help to avoid social unrest and revolutionary violence. Add to this that by strengthening a country's economy it becomes stronger in its international relations, too. But no trust can substitute an institutanl framework of the rule of law, in order to safeguard the fair exercise of power in a state.